

2012 Rush County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Rush County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Rush County the average tax bill for all taxpayers increased 6.7%. This tax bill rise was the result of a 6.8% increase in the tax levy of all local government units and a certified net assessed value increase of 5.1%. Rush County certified net assessed value rose due to a big increase in farmland assessments and smaller increases in homestead, other residential, and business assessments. A levy increase that exceeded assessment growth caused tax rates to rise in all Rush County tax districts, which caused an increase in tax cap credits. Credits as a percent of the levy rose by 2.3% in Rush County in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	6.7%	\$16,305,937	\$852,385,154	11.9%
Change		6.8%	5.1%	2.3%
2011	-1.3%	\$15,268,739	\$811,260,306	9.6%

Homestead Property Taxes

Homestead property taxes increased 4.4% on average in Rush County in 2012. Tax rates in all Rush County tax districts increased. The county average tax rate rose by 1.6%. Higher tax rates meant more homesteads reached their tax caps in 2012. The percentage of Rush County homesteads at their tax caps rose from 6.4% in 2011 to 8.6% in 2012.

Net Tax Bill Changes - All Property Types

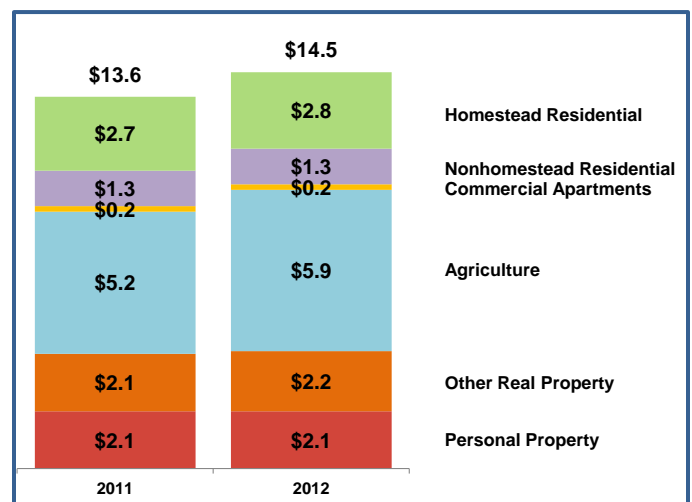
Most of Rush County's 2012 net property taxes were paid by agricultural property owners and business owners (other real and personal). Net tax bills for all taxpayers increased 6.7% in Rush County in 2012. Net taxes were higher on all property categories except personal property (which is mostly business equipment). Taxes on agricultural property increased the most, because of increases in farmland assessed values.

Comparable Homestead Property Tax Changes in Rush County

	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	4,138	84.2%
No Change	334	6.8%
Lower Tax Bill	445	9.1%
Average Change in Tax Bill	4.4%	
Detailed Change in Tax Bill		
20% or More	246	5.0%
10% to 19%	345	7.0%
1% to 9%	3,547	72.1%
0%	334	6.8%
-1% to -9%	286	5.8%
-10% to -19%	69	1.4%
-20% or More	90	1.8%
Total	4,917	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates increased in all Rush County tax districts. The average tax rate rose by 1.6%, because the increase in levies exceeded the increase in assessed value.

Levies in Rush County increased by 6.8%. The largest levy increase was in the county unit, mainly due to an increase in the general fund levy. Rushville City also saw a levy increase, with increases in the general, debt, and police pension funds. Rush County Schools saw a large decrease in its capital projects fund.

Rush County's total net assessed value increased 6.8% in 2012. Agricultural net assessments rose 12.3%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments rose 2.1%, with the largest increase in the business real and personal category.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$494,063,986	\$495,970,648	0.4%	\$182,449,652	\$186,276,250	2.1%
Other Residential	76,896,175	76,784,325	-0.1%	75,356,055	75,486,966	0.2%
Ag Business/Land	380,816,750	428,269,850	12.5%	380,356,090	427,329,881	12.3%
Business Real/Personal	222,915,509	227,277,516	2.0%	185,839,967	190,980,876	2.8%
Total	\$1,174,692,420	\$1,228,302,339	4.6%	\$824,001,764	\$880,073,973	6.8%

Net AV equals Gross AV less deductions and exemptions · Tax rates are calculated on Net AV · Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Rush County were almost \$2.0 million, or 11.9% of the levy. This was more than the state average percentage of the levy of 9.2% and more than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits. Rush County's average tax rate is below the state average, but the county had two tax districts with rates above \$4 per \$100 assessed value.

More than half of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 3% business real and personal property category. The largest percentage losses were in the Rushville City and Rushville Public Library, which were in tax districts with those particularly high tax rates. Rushville City and Rush County Schools had the largest dollar losses.

Tax Cap Credits by Category

Tax cap credits increased in Rush County in 2012 by \$479,102, or 31.7%. The percentage of the levy lost to credits rose by 2.3%. This increase was due mostly to an increase in the tax rates in districts where rates were already high. This made more property owners eligible for more tax cap credits. There were no major changes in state policy to affect tax cap credits in 2012.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$75,771	\$125,994	\$50,223	66.3%
2%	903,294	1,010,754	107,461	11.9%
3%	480,180	798,190	318,010	66.2%
Elderly	51,307	54,717	3,409	6.6%
Total	\$1,510,552	\$1,989,654	\$479,102	31.7%
% of Levy	9.6%	11.9%		2.3%

Rush County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
	2008	2009	2010	2011	2012	2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	21,589,661	15,245,852	15,741,873	15,268,739	16,305,937	-29.4%	3.3%	-3.0%	6.8%
State Unit	20,371	0	0	0	0	-100.0%			
Rush County	5,008,758	4,386,937	4,070,945	3,451,913	4,417,912	-12.4%	-7.2%	-15.2%	28.0%
Anderson Township	40,715	41,970	43,121	44,135	45,571	3.1%	2.7%	2.4%	3.3%
Center Township	30,448	31,501	32,322	33,384	30,688	3.5%	2.6%	3.3%	-8.1%
Jackson Township	33,908	34,265	36,848	19,348	19,473	1.1%	7.5%	-47.5%	0.6%
Noble Township	12,008	12,443	12,648	7,890	8,065	3.6%	1.6%	-37.6%	2.2%
Orange Township	6,840	7,133	7,236	5,671	7,741	4.3%	1.4%	-21.6%	36.5%
Posey Township	60,451	61,059	63,805	63,554	66,961	1.0%	4.5%	-0.4%	5.4%
Richland Township	13,074	13,596	13,882	6,858	7,098	4.0%	2.1%	-50.6%	3.5%
Ripley Township	67,495	70,061	83,060	74,276	87,562	3.8%	18.6%	-10.6%	17.9%
Rushville Township	62,531	88,534	87,356	89,873	91,432	41.6%	-1.3%	2.9%	1.7%
Union Township	12,148	12,837	13,018	6,651	6,763	5.7%	1.4%	-48.9%	1.7%
Walker Township	17,184	17,496	12,893	13,336	13,744	1.8%	-26.3%	3.4%	3.1%
Washington Township	34,290	35,796	36,456	31,922	31,884	4.4%	1.8%	-12.4%	-0.1%
Rushville Civil City	3,571,532	3,595,849	3,724,908	3,779,715	4,015,388	0.7%	3.6%	1.5%	6.2%
Carthage Civil Town	152,984	155,313	155,294	163,396	167,806	1.5%	0.0%	5.2%	2.7%
Glenwood Civil Town	37,733	38,707	38,291	39,617	40,706	2.6%	-1.1%	3.5%	2.7%
Charles A. Beard Memorial School Corp	1,417,540	735,645	898,509	912,907	935,684	-48.1%	22.1%	1.6%	2.5%
Rush County School Corp	10,761,105	5,572,260	6,062,446	6,169,607	5,946,219	-48.2%	8.8%	1.8%	-3.6%
Carthage-Henry Hensley Public Library	1,857	1,933	1,977	2,037	2,097	4.1%	2.3%	3.0%	2.9%
Rushville Public Library	226,689	235,964	247,080	250,430	257,447	4.1%	4.7%	1.4%	2.8%
Rush County Solid Waste District	0	96,553	99,778	102,219	105,696		3.3%	2.4%	3.4%
Rushville Redevelopment Commission	0	0	0	0	0				

Rush County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
70001	Anderson Township	1.3610	--	--	29.2028%	--	--	--	0.9635
70002	Center Township	1.3465	--	--	9.0898%	--	--	--	1.2241
70003	Jackson Township	1.3422	--	--	13.3052%	--	--	--	1.1636
70004	Noble Township	1.3084	--	--	19.2655%	--	--	--	1.0563
70005	Orange Township	1.3066	--	--	22.2422%	--	--	--	1.0160
70006	Posey Township	1.4084	--	--	12.6877%	--	--	--	1.2297
70007	Richland Township	1.3106	--	--	34.4831%	--	--	--	0.8587
70008	Ripley Township	1.9559	--	--	1.6750%	--	--	--	1.9231
70009	Carthage	3.1074	--	--	7.0758%	--	--	--	2.8875
70010	Rushville Township	1.3618	--	--	24.1603%	--	--	--	1.0328
70011	Rushville City	4.0557	--	--	23.4846%	--	--	--	3.1032
70012	Union Township	1.3054	--	--	14.9203%	--	--	--	1.1106
70013	Glenwood City	2.8302	--	--	0.3915%	--	--	--	2.8191
70014	Walker Township	1.3186	--	--	26.1605%	--	--	--	0.9736
70015	Washington Township	1.3614	--	--	23.4626%	--	--	--	1.0420
70016	Rushville City-Jackson	4.0525	--	--	--	--	--	--	4.0525

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Rush County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	125,994	1,009,971	675,392	54,717	1,866,074	16,305,937	11.4%
<i>TIF Total</i>	0	783	122,797	0	123,580	483,891	25.5%
<i>County Total</i>	125,994	1,010,754	798,190	54,717	1,989,654	16,789,828	11.9%
Rush County	16,451	132,369	86,451	8,939	244,209	4,417,912	5.5%
Anderson Township	0	0	0	19	19	45,571	0.0%
Center Township	0	0	0	9	9	30,688	0.0%
Jackson Township	0	9	358	4	371	19,473	1.9%
Noble Township	0	0	0	4	4	8,065	0.0%
Orange Township	0	0	0	4	4	7,741	0.1%
Posey Township	0	0	0	93	93	66,961	0.1%
Richland Township	0	0	0	2	2	7,098	0.0%
Ripley Township	199	1,826	80	235	2,340	87,562	2.7%
Rushville Township	466	3,628	2,188	286	6,567	91,432	7.2%
Union Township	0	13	0	2	16	6,763	0.2%
Walker Township	0	0	0	9	9	13,744	0.1%
Washington Township	0	0	0	10	10	31,884	0.0%
Rushville Civil City	75,655	590,846	427,838	27,247	1,121,585	4,015,388	27.9%
Carthage Civil Town	2,390	28,646	1,255	1,381	33,672	167,806	20.1%
Glenwood Civil Town	111	3,790	0	142	4,043	40,706	9.9%
Charles A. Beard Memorial School Corp	3,050	31,067	1,361	2,939	38,417	935,684	4.1%
Rush County School Corp	22,397	176,372	126,347	11,415	336,532	5,946,219	5.7%
Carthage-Henry Hensley Public Library	30	358	16	17	421	2,097	20.1%
Rushville Public Library	4,851	37,882	27,431	1,747	71,910	257,447	27.9%
Three Rivers Solid Waste Management Dist	0	0	0	0	0	0	
Rush County Solid Waste District	394	3,167	2,068	214	5,843	105,696	5.5%
Rushville Redevelopment Commission	0	0	0	0	0	0	
TIF - Jackson	0	0	0	0	0	747	0.0%
TIF - City Rushville Renewable	0	281	0	0	281	555	50.7%
TIF - Rushville City Jackson	0	502	122,797	0	123,299	482,588	25.5%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.